

United States District Court
Southern District of New York

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC#
DATE FILED: 11-17-11

FREDERICK WINFIELD, ET AL.,
Plaintiffs,

10 Civ. 7304 (JGK)

- against -

ORDER

CITIBANK, N.A.,
Defendant.

JOHN G. KOELTL, District Judge:

On October 28, 2011, the Court's mother died. The Court is a co-executor and one-half beneficiary of the substantial part of the estate which includes stock in Citigroup (the "Company"). The Court notes that the Court would not receive any of the stock until the assets of the estate were actually distributed, which takes some time. However, the presence of the stock in the estate creates a current conflict and the Court will therefore not take any further action in this case until the conflict is resolved.

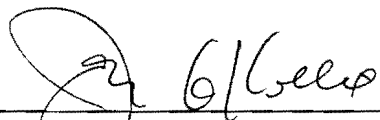
When the surrogate grants authority to sell any assets in the estate, which the Courts expects the surrogate to do shortly, the Court intends to have the estate sell all shares of stock in all companies who are parties in cases before the Court in order to remove any conflicts. The proceeds will be retained in the estate or reinvested in other investments by the estate until final distribution. Under the circumstances, divestiture

is a means of resolving the conflicts. See Code of Judicial Conduct Canon 3C(4). However, divestiture is not a means to resolve a conflict if the stock could be "substantially affected" by the outcome of the litigation, even if the estate were to sell the stock. See id. Given the resources of the Company, the Court does not believe that the outcome of this litigation could substantially affect the stock. However, any party who has a contrary view or wishes to bring any information to the attention of the Court should do so within five (5) days.

Resolving the conflicts in this way is in the public interest because it applies a neutral principle and avoids distinguishing among cases and companies and allows the Court to continue to work on some cases in which substantial judicial effort has already been expended, and it avoids the transfer of numerous cases to other judges.

SO ORDERED.

**Dated: New York, New York
November 17, 2011**



John G. Koeltl
United States District Judge